WHERE IS THE INEQUITY?

A comparison of tax paid by two-earner families that use child care and one-earner families with pre-school children at home

May 1989

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The Nova Scotia Advisory Council on the Status of Women

The Advisory Council was established in 1977 to monitor women's issues and to act as an advisory body to the provincial government. In carrying out its duties, the Council is charged to undertake research on matters relevant to the status of women. The issues surrounding child care have long been a priority for the Council.

Acknowledgements

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Background

During the past year, there has been some criticism of perceived levels of public support for two-earner families that use child care (users) versus support for one-earner families that care for their pre-school children at home (non-users). The concern centres around the value of current tax benefits extended to users and non-users of child care. Specifically, the criticism involves the direct comparison of the recent tax credit initiatives of the federal government which offer a maximum $4,000 child care expense deduction per eligible child for users of child care and a $100 tax credit supplement[1] for non-users (See comments in Appendix "A").

Consider the following objection raised by a member of R.E.A.L. Women of Canada: "*The federal government's policy of a $4,000 day care tax deduction for those who are in the paid workforce versus a $200 tax credit for those who raise their own children is unequal compensation for children of equal value.*"[2] The current study attempts to determine the validity of claims of unequal benefits and to provide some empirical evidence to measure the value of benefits given to the two different types of families through the tax credit system.

Purpose

It must be emphasized that the purpose of this study is not to create tension between users and non-users of child care. The Advisory Council earnestly supports both types of families. Our aim is not to pit one

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[1] This amount will increase to $200 for the 1989 taxation year.

[2] Letter to the Editor, Saturday Night, April 1989, p. 8.

family against the other as we feel the recent letters contained in Appendix "A" have intended to do. The Advisory Council recognizes the important contributions made by both types of families and believes that "parents who participate in the labour force and parents who choose not to participate in order to care for children at home are equally effective in nurturing and teaching their children".[3] We believe it is important to support women whether they participate in the paid labour force or remain at home with their children.

Literature Review

A review of the literature has revealed only one similar study in Canada: a report prepared by The Family Service Association of Edmonton in December 1988 that compared the "net tax contributions"[4] of users and non-users of day care in Alberta. This study compared the net tax contributions of families consisting of five different combinations of age and number of children using federal and Alberta 1988 tax rates. This report concluded that full-time users of day care generally make a higher net tax contribution than non-users and that, despite claims to the contrary, in no instances do tax dollars flow from non-users to users.

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[3] The Family Service Association of Edmonton, "A Comparison of Net Tax Contributions by Two Earner Families That Use Day Care and One Earner Families with Pre-School Children at Home", December 1988, p. 1.

[4] "The total amount contributed to public coffers after subtracting benefits from taxes."

Parameters

The current study is limited to a comparison of two-parent families. We have not considered the tax paid or benefits received by single parents, child care users who receive provincial subsidy, or persons without children. Our reasons for limiting the scope of the comparison were many, but primarily it was felt that the issues surrounding public support for parents in general are extremely complex and beyond the scope of this study.

This analysis does not attempt to address the question of whether the level of existing benefits is appropriate. However, we feel it is important to preface this study with a clear picture of women's current labour force participation. The following table shows the current labour force participation rates for women with pre-school children. These figures show that 60 percent of women with children under 5 years of age participate in the labour force in Nova Scotia.

Women 15 Years and Over with Children by Age Groups of Children, Showing Labour Force Participation Rates, Canada and Nova Scotia, 1975-1988

	Youngest Child Under 3 Years		Children 3-5 Years		Children 6-15 Years	
	CANADA	N.S.	CANADA	N.S.	CANADA	N.S.
1988	58.3	59.1	65.1	62.5	72.9	64.1
1985	53.9	53.0	59.5	55.3	66.2	57.3
1980	41.7	42.3	50.1	47.6	58.3	50.8
1975	31.2	29.5	40.0	37.0	48.2	44.7

While these increases are due to a number of variables, economic need remains a paramount one. Statistics Canada reports the average income of dual-earner families was almost $50,000 in 1986 compared with just under $40,000 for families in which the husband was the sole earner.[5] It is apparent that the individual earnings of spouses in a two-earner family are considerably less than the individual earnings of a one-earner family. The National Council of Welfare calculated in 1986 that 9% of all Canadian families were poor. That same year it was estimated that if wives did not have paying jobs the percentage of poor families would have been higher by 83% -- to encompass a total of 16% of all Canadian families.[6]

Comparisons

Comparisons have been based on two calculations: a) total tax payable (federal and Nova Scotia) and b) tax paid as a percentage of total income. Both calculations provide a different basis on which public support to the two types of families can be evaluated.

Comparisons were made for two different combinations of age and number of children: 1) one child, aged two years; and 2) two children, aged two and four years. Spouses were designated as "Spouse 1" and "Spouse 2". For each of the two comparisons, various employment incomes for Spouse 1 and Spouse 2 were projected. The income of Spouse 2 was always nil for non-users.

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[5] Maureen Moore, "Dual-Earner Families: The New Norm", in Canadian Social Trends (No.12) Spring 1989, p. 24.

[6] National Council of Welfare, telephone interview with Ken Battle, 12 May 1989.

Tax Laws

Calculations are based on the 1988 Revenue Canada Return which incorporates the federal government child care tax reforms of 1988. Deductions made from earned income included standard Canada Pension Plan (CPP) and Unemployment Insurance (UI) only -- these amounts are shown in Appendix "D". Also shown in Appendix "D" are the family allowance amounts that were used in the calculation of total income.

In 1988 Revenue Canada provided four different tax concessions for parents. These are:

a) Non-refundable tax credit for dependent children -- the maximum allowable amount is $388 for each of two children born in 1970 or later. The maximum allowable amount is $766 for a third child and $776 for each additional child. In both family types considered, one spouse is eligible to claim this deduction.

b) Child Tax Credit -- claimable for eligible children born in 1971 or later if family net income is less than $24,090. Valued at $559 per child. Both of the family types considered were entitled to this credit where their net income was below the set limit.

c) Child Tax Credit Supplement -- $100 added to the Child Tax Credit for children born in 1982 or later (to be increased to $200 in 1989). The supplement is reduced by the portion of child care expenses claimed. Only the one-earner families in our study were eligible for this deduction.

d) Child Care Expenses Deduction -- a deduction based on the least of (i) the amount actually spent for child care services, or (ii) 2/3 of earned income, or (iii) $4,000 for each eligible child born after 1981, or who has a severe and prolonged mental or physical impairment. Receipts for child

care expenses are required. All of the two-earner families in our study were eligible for the maximum child care expense deduction.

In addition to the above concessions, all of the one-earner families considered in our study were entitled to claim the dependent spouse deduction. This deduction is valued at $5,000 (less the net income of the dependent spouse if more than $50).

Child Care Expenses

Child care fees affect the amount of the child care expense deduction. Fees were assumed to be $350 per month for two-year-olds and $330 per month for four-year-olds. These figures were determined through an informal survey of day care centres in the Halifax-Dartmouth area and are considered to be a fair estimate of current market rates. At these rates, all users of child care in our study would be eligible to claim the full value of the child care expense deduction.

It is very important to note that to be eligible to claim the child care expense deduction, receipts for expenses are required to substantiate expenditures. Not all parents with child care expenses claim the deduction. In fact, a survey of the 1981 taxation year revealed that child care expenses were claimed for the care of only 44 % of the estimated number of children receiving non-parental care.[7] The Task Force on Child Care (Katie Cooke) determined that most families in Canada needing child care rely on unlicensed caregivers working in their own homes or in the child's home where it is often difficult for parents to negotiate receipts. The Child Care Expense Deduction

[7] Report of the Task Force on Child Care, Ottawa: Minister of Supply and Services, March 1986, p. 170.

has no value for the majority of families who incur expenses but who do not or cannot claim them.

Results/Findings

Table 1 (below) indicates the actual amount of federal and Nova Scotia tax payable for each level of employment income considered in the study (Appendices "B" and "C" provide samples of the actual tax calculations[a]).

TABLE 1

FEDERAL AND NOVA SCOTIA TAX PAYABLE

Employment Income Spouse 1/Spouse 2	One Child		Two Children	
	One Earner	Two Earner	One Earner	Two Earner
$ 20,000/0	1,659.60	-	1,110.80	-
20,000/15,000	-	4,573.17	-	2,749.14
20,000/20,000	-	6,064.06	-	4,295.96
25,000/0	3,021.32	-	2,481.89	-
25,000/15,000	-	6,063.97	-	4,295.87
25,000/20,000	-	7,361.00	-	5,842.69
25,000/25,000	-	8,657.52	-	7,389.42
30,000/0	4,982.49	-	4,522.08	-
30,000/15,000	-	7,798.34	-	6,336.02
30,000/20,000	-	9,095.20	-	7,880.09
30,000/25,000	-	10,391.93	-	9,363.25
35,000/0	7,302.56	-	6,845.58	-
35,000/15,000	-	9,871.84	-	8,659.52
35,000/20,000	-	11,168.70	-	10,140.02
35,000/25,000	-	12,465.43	-	11,434.26
40,000/0	9,396.80	-	9,169.08	-
40,000/15,000	-	11,945.38	-	10,916.70
40,000/20,000	-	13,242.20	-	12,213.52
40,000/25,000	-	14,538.93	-	13,510.25

[a] The actual calculations are available for all scenarios considered but have not been inlcuded due to space limitations.

In all scenarios, when the employment incomes of Spouse 1 are held constant, two-earner families make a higher tax contribution than do one-earner families. This is so despite the different values of the tax concessions. These results are also illustrated in Figures 1 and 2 (below).

FIGURE 1

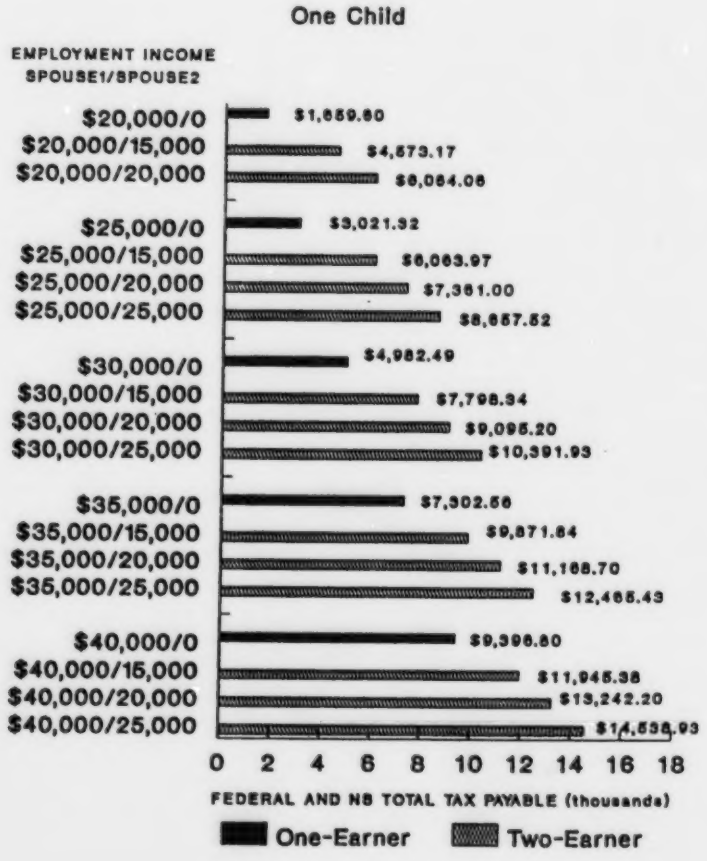
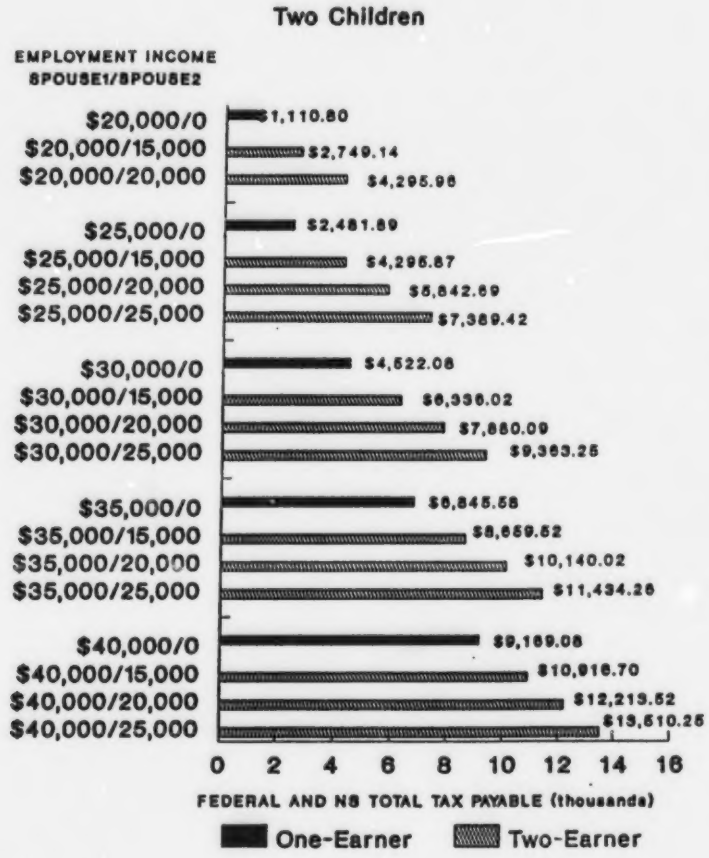


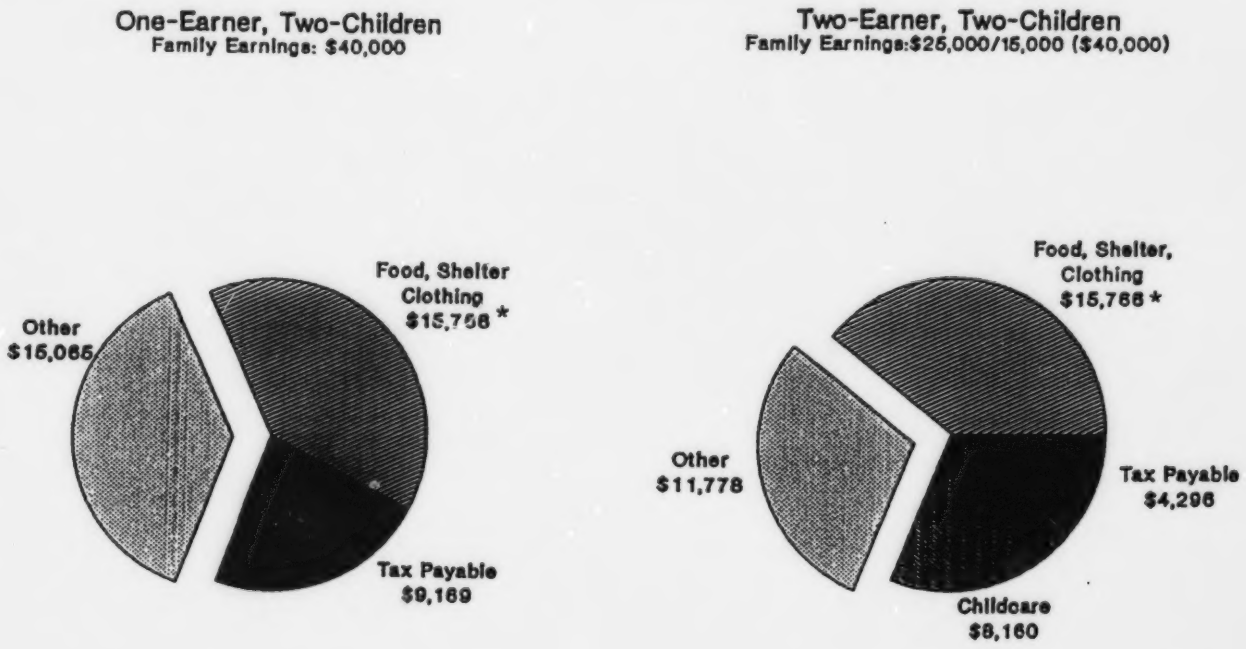
FIGURE 2



A direct comparison of the two family types when total family income is equal and both have two children, (i.e. Spouse 1/Spouse 2 at $40,0000/0 and $25,000/15,000) indicates that the one-earner family makes a greater tax contribution than does the two-earner family (at $9,169.08 and $4,295.87 respectively). However, as shown in Figure 3, an examination of

the income distribution for these two types of families reveals that the one-earner family has a greater disposable or "other" income than the two-earner family despite the latter's higher tax contribution.

FIGURE 3



The two-earner family has had its tax payable reduced, in light of the $8,160 that this family pays for child care.

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* Statistics Canada. Family Expenditure Survey, 1986, Food, Shelter, Clothing for 2 Adult, 2 Child Family.

Table 2 shows a comparison of the two families in terms of tax paid as a percentage of total income. This measure shows how, in terms of a direct comparison of the two types of families, the value of the child care expense deduction is greater for high income earners than for low income earners. The fact that the child care expense deduction delivers most benefit to the highest-income claimants and least benefit to the lowest-income families is a fault frequently cited by critics of the child care expense deduction.

TABLE 2

EMPLOYMENT INCOME SPOUSE1/SPOUSE2	FEDERAL AND N.S. PROVINCIAL TAX PAID AS A PERCENTAGE OF TOTAL INCOME *			
	ONE INCOME FAMILY ONE CHILD %	TWO INCOME FAMILY ONE CHILD %	ONE INCOME FAMILY TWO CHILDREN %	TWO INCOME FAMILY TWO CHILDREN %
$ 20,000/0	8.3	-	5.5	-
20,000/15,000	-	13.1	-	9.2
20,000/20,000	-	15.2	-	10.7
25,000/0	12.1	-	9.9	-
25,000/15,000	-	15.2	-	10.7
25,000/20,000	-	16.4	-	13.0
25,000/25,000	-	17.3	-	14.8
30,000/0	16.6	-	15.1	-
30,000/15,000	-	17.3	-	14.8
30,000/20,000	-	18.2	-	15.8
30,000/25,000	-	18.9	-	17.0
35,000/0	20.9	-	19.6	-
35,000/15,000	-	19.7	-	17.3
35,000/20,000	-	20.3	-	18.4
35,000/25,000	-	20.4	-	19.1
40,000/0	23.5	-	22.9	-
40,000/15,000	-	21.7	-	19.8
40,000/20,000	-	22.1	-	20.2
40,000/25,000	-	22.4	-	20.8

* TOTAL INCOME includes employment income and family allowance income.
* 1988 income tax rates were used.

Conclusions

The results of this study clearly indicate that a direct comparison of the $4,000 child care expense deduction and the $100 child tax credit supplement is not a fair measure of public support to these two types of families. It is evident that in no instances are tax dollars flowing from one-earner to two-earner families. Furthermore, it would appear that proponents of the direct $4,000 versus $100 argument fail to recognize the value of the dependent spouse deduction of $5,000 which one-earner families are entitled to claim.

Further Discussion

Throughout this paper, we have not attempted in any manner to evaluate the appropriateness of the current system of child care funding through tax concessions. We have also not attempted to evaluate the appropriateness of the dependent spouse deduction. We have simply tried to show that current tax concessions to two-parent families are more equitable than might appear to some. However, the issues raised by this study are many.

Firstly, while we recognize that women's unpaid work in the home has been greatly undervalued by society, we question whether taking away or reducing concessions for women who choose or are forced to participate in the paid labour force is an appropriate way to increase the value of women's work in the home. This point is especially important in light of the fact that our findings and those of the Edmonton Family Service Association confirm that the tax benefits available to the two family types are relatively equal in terms of their net economic impact.

On this matter, the Edmonton study concludes that,

> There might be a case for increasing benefits to non-users, but when net tax contributions are considered, it would be difficult to rationalize an increase on the grounds of inequity. The case for increased assistance to non-users would be more compelling if made with reference to the particular needs and circumstances of people who care for children at home, not by claiming discrimination.[9]

Appendix "E" highlights some of the recommendations made by the Advisory Council during the past ten years which have attempted to address the undervaluation of women's unpaid work in the home.

Secondly, the issues raised by this analysis point to the need for public discussion of and attention to the broader issues of public support to families with children through the tax system. For example, is the purpose of the dependent spouse deduction to assist the wage earner to support a dependent adult or is it to help provide for children at home? Others have suggested that if the purpose is to provide for children at home, it would be more appropriate to provide a refundable credit to the spouse caring for the children rather than a credit to the wage earner.[10] It has been further suggested that the tax system should distinguish the work done by individuals who stay at home between that which is socially useful and that which is privately useful.[11] In other words, distinguishing between the work of caring for young children and that of maintaining a home for a breadwinner. Under the current system, a one-income family receives the same benefit regardless of the age of their children and relatively the

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[9] The Family Service Association of Edmonton, p. 8.

[10] Edmonton Family Service Association, p. 8.

[11] Margrit Eichler, Families in Canada Today, Toronto: Gage, 1983.

same benefit whether or not they have any children.

Finally, we must reiterate our belief that the availability and accessibility of quality child care is essential to the full and equal participation of women in all aspects of public life. We are a long way from this goal. Poorly paid child care workers, the lack of spaces, and inadequate funding continue to plague our child care system. The tax system is not the ideal means to improve this situation. Tax concessions do not help the children of parents who cannot secure receipts and who cannot find quality care.

REAL women defend family

To the editor:

In a recent column (March 12), Sharon Fraser likened a women's organization, REAL Women of Canada, to the Ku Klux Klan. This is an outrageous allegation. This kind of criticism is especially unfair because REAL Women lacks a public forum in which to present its views and defend itself against its detractors.

For example, Ms. Fraser later refused to defend her position on CBC-TV with a representative of REAL Women, and as a result, the CBC denied the latter a public hearing. I now appeal to your sense of fair play and equality by allowing me to use your paper to give another view of REAL Women.

Our organization was founded in 1983 in response to Judy Erola's attempt to have the federal government remove the tax exemption for dependent spouses in order to provide more money for public day care.

It is a grassroots pro-family organization with some 50,000 members. Our motto is "Women's rights but not at the expense of human rights," which means that the working out of our rights has to be in harmony with the rights of men and women including the unborn.

Because we believe that the fragmentation of the family is one of the major causes of disorder in society today, our primary concern is with the care and well-being of the family.

There are 3.5 million women in Canada today who are full-time homemakers, the vast majority of whom are living on a substantially lower income level than families where the women work. These homemakers seem to be among the forgotten minorities in our society; and they are being discriminated against. Present government tax policy favors the working mother. Our position is that there should be no such favoritism and that mothers who wish to look after their children at home should have that option and be helped to do so.

In the past six years, we have made many presentations to government, all related to the well-being of the family. In society's frantic quest for individual and communal "rights" we feel that the rights of the family have been neglected simply because there has been no organized body to speak for and defend those rights. We are trying to fill that need. It's a matter of equality.

Peggy MacIsaac
REAL Women of Canada
Antigonish N.S.

THE DAILY NEWS, FRIDAY, MARCH 31, 1989

LETTERS

WHAT'S BEST FOR THE CHILDREN?

Kate Fillion's "The Daycare Decision" (January) did an excellent job of pointing out some of the potential problems of daytime institutionalization of small children, but stopped short of calling for the radical rethinking of national priorities that is necessary in this matter. When black women in the American south were forced to work on plantations as well as raising their children, it was called slavery; when modern women are compelled by high taxes to work in pink-collar sweatshops and suffer the heartbreak of watching their children raised, often inadequately, by strangers, it is called liberation. And we pride ourselves on having a civilized country?

The federal government's policy of a $4,000 daycare tax deduction for those who are in the paid workforce versus a $200 tax credit for those who raise their own children is unequal compensation for children of equal value. It is time to ask what is best for the children and for families, rather than sacrificing an entire generation to the uncaring whims of the icy idols of feminism.

Government policy should ensure equality for families who choose to rear their own children. Tax policies to promote home care along with daycare would both benefit women and be a worthwhile investment in Canada's future.

RITA HARTMANN
National Policy Advisor
REAL Women of Canada
TORONTO

8 Saturday Night/APRIL 1989

LETTERS

Working women, quite rightly, may deduct child care expenses from their taxable incomes ("The new debt crisis," Business, April 10). But the families that try to keep the home fires burning not only sacrifice a second income but are also penalized at tax time. So much for the politicians' platitudes about the virtues of traditional family values. Falling birthrates are now accompanied by more divorce, single parents, runaways, prostitution, drug use and crime. Perhaps it is time we recognized the considerable social contribution made by homemaking parents—not with more platitudes but with realistic amendments to the Income Tax Act.

Alan Herscovici,
Outremont, Que.

MACLEAN'S/APRIL 24, 1989

SAMPLE TAX CALCULATIONS,
One-Earner-Family

APPENDIX B

Scenario:	Earnings:	Spouse 1 - $20,000 Spouse 2 - Nil
	Children:	1, aged 2 years
Calaulations:	Tax Payable:	Spouse 1 - $2,218.66 Spouse 2 - (559.00) TOTAL: $1,659.60 or 8.29% of Total Income

Name: SPOUSE1

1988 DETAILED TAX SUMMARY

Income:	Net employment earnings	20,000.00	
	Pension income		
	Taxable family allowance / UIC benefits	388.56	
	Dividends, interest and investment		
	Rental income		
	Taxable capital gains		
	Alimony / other income		
	Registered retirement savings plan		
	Self employed income		
	Total income		20,388.56
Net Income:	RPP/RRSP		
	Union dues / moving expenses		
	Child care expenses		
	Carrying charges		
	Alimony / other deductions		
	Net income		20,388.56
Taxable Income:	Forward averaging addition		
	Capital gains deduction		
	Loss carry-overs / other deductions		
	Taxable income		20,388.56
Tax Payable:	Federal tax before non-refundable amts.		3,507.79
	Personal amounts	11,388.00 *	
	CPP/UIC	817.88	
	Allowable medical expenses		
	Other amounts		
	Total non-refundable amounts	12,205.88	
	Non-refundable credit (17%)		2,075.00
	Charitable donation credit		
	Net federal tax		1,432.79
	Net provincial tax payable		785.95
	CPP / UIC / Child tax credit payable		
	Total payable		2,218.74
Tax Credits:	Tax deducted		
	Instalments		
	Miscellaneous credits / overpayments	0.08	
	Total credits		0.08
	Balance due (refund)		2,218.66

* Personal Amounts: 6,000 Basic Personal
5,000 Dependent Spouse
388 Child

11,388 Total

Name: SPOUSE2

1988 DETAILED TAX SUMMARY

Income:	Net employment earnings		
	Pension income		
	Taxable family allowance / UIC benefits		
	Dividends, interest and investment		
	Rental income		
	Taxable capital gains		
	Alimony / other income		
	Registered retirement savings plan		
	Self employed income		
	Total income		
Net Income:	RPP/RRSP		
	Union dues / moving expenses		
	Child care expenses		
	Carrying charges		
	Alimony / other deductions		
	Net income		
Taxable Income:	Forward averaging addition		
	Capital gains deduction		
	Loss carry-overs / other deductions		
	Taxable income		
Tax Payable:	Federal tax before non-refundable amts		
	Personal amounts	6,000.00	
	CPP/UIC		
	Allowable medical expenses		
	Other amounts		
	Total non-refundable amounts	6,000.00	
	Non-refundable credit (17%)		
	Charitable donation credit		
	Net federal tax		
	Net provincial tax payable		
	CPP / UIC / Child tax credit payable		
	Total payable		
Tax Credits:	Tax deducted		
	Instalments		
	Miscellaneous credits / overpayments	559.00	
	Total credits		559.00
	Balance due (refund)		(559.00)

SAMPLE TAX CALCULATIONS
Two-Earner Family

APPENDIX C

Scenario:	Earnings:	Spouse 1 - $20,000 Spouse 2 - 15,000 TOTAL: $35,000
	Children:	1, aged 2 years
Calculations:	Tax Payable:	Spouse I - $3,574.41 Spouse 2 - 998.76 TOTAL: $4,573.17 or 13.07% of Total Income

Name: SPOUSE1

1988 DETAILED TAX SUMMARY

Income:	Net employment earnings	20,000.00	
	Pension income		
	Taxable family allowance / UIC benefits	388.56	
	Dividends, interest and investment		
	Rental income		
	Taxable capital gains		
	Alimony / other income		
	Registered retirement savings plan		
	Self employed income		
	Total income		20,388.56
Net Income:	RPP/RRSP		
	Union dues / moving expenses		
	Child care expenses		
	Carrying charges		
	Alimony / other deductions		
	Net income		20,388.56
Taxable Income:	Forward averaging addition		
	Capital gains deduction		
	Loss carry-overs / other deductions		
	Taxable income		20,388.56
Tax Payable:	Federal tax before non-refundable amts		3,533.29
	Personal amounts	6,388.00 *	
	CPP/UIC	817.88	
	Allowable medical expenses		
	Other amounts		
	Total non-refundable amounts	7,205.88	
	Non-refundable credit (17%)		1,225.00
	Charitable donation credit		
	Net federal tax		2,308.29
	Net provincial tax payable		1,266.20
	CPP / UIC / Child tax credit payable		
	Total payable		3,574.49
Tax Credits:	Tax deducted		
	Instalments		
	Miscellaneous credits / overpayments	0.08	
	Total credits		0.08
	Balance due (refund)		3,574.41

* Personal Amounts: 6,000 Basic Personal
388 Child

6,388 Total

Name: SPOUSE2

1988 DETAILED TAX SUMMARY

Income:	Net employment earnings	15,000.00	
	Pension income		
	Taxable family allowance / UIC benefits		
	Dividends, interest and investment		
	Rental income		
	Taxable capital gains		
	Alimony / other income		
	Registered retirement savings plan		
	Self employed income		
	Total income		15,000.00
Net Income:	RPP/RRSP		
	Union dues / moving expenses		
	Child care expenses	4,000.00	
	Carrying charges		
	Alimony / other deductions		
	Net income		11,000.00
Taxable Income:	Forward averaging addition		
	Capital gains deduction		
	Loss carry-overs / other deductions		
	Taxable income		11,000.00
Tax Payable:	Federal tax before non-refundable amts.		1,892.44
	Personal amounts	6,000.00	
	CPP/UIC	600.50	
	Allowable medical expenses		
	Other amounts		
	Total non-refundable amounts	6,600.50	
	Non-refundable credit (17%)		1,122.08
	Charitable donation credit		
	Net federal tax		770.36
	Net provincial tax payable		422.57
	CPP / UIC / Child tax credit payable		
	Total payable		1,192.93
Tax Credits:	Tax deducted		
	Instalments		
	Miscellaneous credits / overpayments	194.17	
	Total credits		194.17
	Balance due (refund)		998.76

APPENDIX "D"

1. CPP and UIC amounts used:

Salary Level	CPP	UIC
$ 15,000	248.04	352.26
20,000	347.88	470.08
25,000	447.98	587.60
30,000	478.00	690.56
35,000	478.00	690.56
40,000	478.00	690.56

2. Family Allowance amounts used:

One child - $388.56
Two Children - $777.12

HOMEMAKING/HOUSEWORK

March 1976

- *that the provincial and federal governments initiate study into the best way of including the work of homemakers in the economy, and that they devise appropriate ways of ensuring that the homemaker's work is financially recompensed.*

PARENTAL LEAVE & BENEFITS

November 1983

- *Various changes to the Nova Scotia Labour Standards Code were recommended.*

April 1986

- *that paternity leave be made possible as an option under the Nova Scotia Labour Standards Code.*
- *that adoptive leave be made consistent with maternity leave in recognition of the importance of a period of bonding, socialization and adjustment between the adoptive family and the child.*

May 1986

- *that adoptive leave be made consistent with existing maternity leave provisions.*

November 1987

- *that maternity and adoptive benefits be paid at full salary under the Unemployment Insurance Act.*
- *that maternity and adoptive leave be extended to a total of 26 weeks and that such leave be available to either parent.*
- *that legislation aimed at guaranteeing job security on resumption of work after maternity and adoptive leave be strengthened.*

PENSIONS FOR HOMEMAKERS

March 1976

- *that the provincial and federal governments give their urgent attention to the matter of providing coverage for homemakers under the Canada Pension Plan by embarking on an in-depth study (with participation from Nova Scotia women (with recommendations for a solution which will extend equitably to all full-time homemakers.*

February 1981

- *that the Province of Nova Scotia endorse the proposal to open up the Canada Pension Plan to homemakers on a voluntary basis.*

March 1982

- *that pension benefits be provided under the CPP in respect of those time periods spent by women in the home either raising children or caring for severely disabled people who would otherwise have to be put into an institution.*

- *that women whose main occupation is to keep house for someone else without fixed cash compensation (hereinafter referred to as "homemakers") be required to participate in the CPP. These would include wives who are chiefly engaged in keeping house for their husbands or for their husbands and children who are over 7 years of age.*

- *that homemakers who work outside the home on a part-time basis and hence participate in the CPP in their own right be given the option of increasing their earned pension credit to the above minimum level as long as the additional required contributions are made by the beneficiaries of the homemaker's services.*

November 1982

- *that pensions benefits be provided under the CPP in respect of those time periods spent by women in the home either raising children or caring for severely disabled people who would otherwise have to be put into an institution.*

- *that women whose main occupation is to keep house for someone else without fixed cash compensation (hereinafter referred to as "homemakers") be required to participate in the CPP. These would include wives who are chiefly engaged in keeping house for their husbands or for their husbands and children who are over 7 years of age.*

- *that homemakers who work outside the home on a part-time basis and hence participate in the CPP in their own right be given the option of increasing their earned pension credit to the above minimum level as long as the additional required contributions are made by beneficiaries of the homemaker's services.*

September 1983

- *that pension benefits be provided under the Canada Pension Plan in respect of those time periods spent by women in the home either raising children or caring for severely disabled people who would otherwise have to be put into an institution.*

- *that every homemaker be credited with pensionable earnings for Canada Pension Plan purposes equal to the lesser of: 1) 50 percent of the national average industrial wage, or 2) 50 percent of the spouse's earnings; that the income will be reduced by any earnings the homemaker has received from employment that count for Canada Pension Plan purposes; that the spouse's earnings will be reduced for Canada Pension Plan purposes by the amount credited to the homemaker. The reduction will not be accompanied by any reduction in contributions; and that contributions on the amount credited to the homemaker will be made at the self-employed rate to the extent such contributions have not already been made.*

September 1988

- *that pension benefits be provided under the CPP in respect of those time periods spent by women in the home either raising children or caring for other people.*

VOLUNTEERS

March 1976

- *that people who do volunteer work should be publicly recognized for their leadership and participation in the community, and that (a) institutions making use of voluntary workers ensure that these workers are involved in the decision-making process of the institution; and (b) the provincial and municipal governments include in their appointments to boards, commissions, councils, etc. members of voluntary groups.*

- *that (a) government and private industry credit the voluntary work of an applicant who is seeking paid employment; and (b) universities and educational institutions credit volunteer experience, where relevant, toward further educational courses, especially when the volunteer may not have the regular educational prerequisites for such courses.*